

Message Text

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PAGE 01 BUDAPE 02981 281323Z
ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03
INR-10 NSAE-00 ICA-11 TRSE-00 XMB-02 OPIC-03
SP-02 LAB-04 SIL-01 OMB-01 STR-07 AGRE-00 /070 W
-----122428 290901Z /21
R 281011Z JUL 78
FM AMEMBASSY BUDAPEST
TO SECSTATE WASHDC 2045
USICA WASHDC

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E.O. 11652: NA
TAGS: EEWT HU
SUBJECT: HUNGARIANS PUBLICIZE TRADE AGREEMENT

1. FOUR HUNGARIAN PAPERS HAVE PUBLISHED ARTICLES EXPLAINING THE SIGNIFICANCE OF THE U.S.-HUNGARIAN TRADE AGREEMENT SINCE THE AGREEMENT WENT INTO EFFECT JULY 7 AND GIVING HUNGARIAN BUSINESSMEN ADVICE ON HOW TO TAKE ADVANTAGE OF THE NEW SITUATION.
2. ARTICLES IN JULY 8 VILAGGAZDASAG AND JULY 19 FIGYELO WERE AIMED AT PRIMARILY ECONOMIC AUDIENCES. BOTH TOUCH ON HISTORY OF U.S. TARIFF DISCRIMINATION, GIVE EXAMPLES OF EXTENT OF TARIFF REDUCTION UNDER TRADE AGREEMENT, CITE GROWTH OF U.S.-HUNGARIAN COMMERCIAL TIES IN RECENT PAST (COOPERATION AGREEMENTS, JOINT VENTURES, ETC.), AND ARE OPTIMISTIC REGARDING PROSPECTS FOR FUTURE TRADE GROWTH. ARTICLES MENTION THAT HUNGARY WILL SOON HAVE ACCESS TO CCC AND EXIMBANK CREDITS.
3. PERHAPS MOST IMPORTANT ARTICLE WAS WRITTEN BY HUNGARIAN TRADE NEGOTIATOR JANOS NYERGES FOR THE JULY 19 EDITION OF THE MASS CIRCULATION NEPSZABADSAG. NYERGES SAYS TRADE AGREEMENT IS OF "VERY GREAT SIGNIFICANCE" BECAUSE IT NOT ONLY GIVES HUNGARY ACCESS TO ENORMOUS AMERICAN MARKET BUT ALSO REDUCES HUNGARY'S ONE-SIDED

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PAGE 02 BUDAPE 02981 281323Z

DEPENDENCE ON "CERTAIN EUROPEAN MARKETS" (COMMENT: READ EUROPEAN COMMUNITY. END COMMENT). NYERGES EMPHASIZES DIFFICULTIES HUNGARIAN FIRMS MUST OVERCOME BECAUSE OF U.S. MARKET SIZE, PRICE AND QUALITY COMPETITIVENESS, SPECIAL AMERICAN TASTES, AND DISTANCE. HE ALSO MENTIONS SPECIAL PROBLEMS CAUSED BY AMERICAN REGULATIONS ON DUMPING AND MARKET DISRUPTION. MORE THAN OTHER ARTICLES, NYERGES EMPHASIZES THAT TRADE AGREEMENT IS NOT LIMITED TO EXTENSION OF MFN

TARIFF TREATMENT, BUT REGULATES OTHER TOPICS OF COMMERCIAL EXCHANGE, INCLUDING STATUS OF NATIONAL FIRMS IN THE OTHER COUNTRY, FINANCIAL PROVISIONS, AND REGULATION OF TRADE DISPUTES.

4. ARTICLE BY ENDRE GOMORI IN JULY 16 MASS CIRCULATION FOREIGN AFFAIRS WEEKLY MAGYARORSZAG DWELLS AT LENGTH ON U.S. "COLD-WAR" TRADE POLICIES. IT IS ONLY ARTICLE TO MENTION JACKSON-VANIK PROVISION OF TRADE ACT OF 1974, ALTHOUGH REFERENCE IS INDIRECT, STATING THAT 1974 TRADE ACT "MADE MFN DEPEND ON INTERNAL POLITICAL TERMS IN CONNECTION WITH SOCIALIST COUNTRIES" (THERE IS NO EXPLANATION OF HOW THE TRADE NEGOTIATORS MET THIS PROBLEM). ARTICLE NOTES SOMETIME COINCIDENCE OF U.S. AND HUNGARIAN POLICY INTERESTS IN INTERNATIONAL TRADE MATTERS: "IN THE THIRD PLENARY SESSION OF THE HUNGARIAN-U.S. ECONOMIC COUNCIL, IT WAS RIGHTLY POINTED OUT BY THE HUNGARIAN SIDE THAT U.S. EXPORT ACTIVITIES ARE HINDERED FOR THE SAME PRODUCTS (AGRICULTURAL) AND ON THE SAME MARKETS BY DISCRIMINATIVE MEASURES AS ARE THE EXPORTS OF SOCIALIST COUNTRIES" (COMMENT: AGAIN READ EUROPEAN COMMUNITY. END COMMENT). ARTICLE CONCLUDES THAT TRADE AGREEMENT IS "BY ALL MEANS A POSITIVE DEVELOPMENT."

5. COMMENT. THESE FOUR ARTICLES ARE MUCH MORE EXTENSIVE THAN PREVIOUS PRESS COVERAGE OF SIGNING AND PUTTING INTO EFFECT OF TRADE AGREEMENT; THEY ALERT HUNGARIAN PUBLIC AND ECONOMIC COMMUNITY TO IMPORTANCE GOH ASCRIBES TO AGREEMENT. THE GOH EXPECTS THE COMMERCIAL MANAGERS TO TAKE ADVANTAGE OF THIS NEW OPPORTUNITY.
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6. TRANSLATION OF VILAGGAZDASAG ARTICLE WAS POUCHED TO STATE AND COMMERCE JULY 18; NEPSZABADSAG AND MAGYARORSZAG ARTICLES WILL BE POUCHED SOONEST.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE, AGREEMENT, AGREEMENTS, PRESS COMMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 28 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978BUDAPE02981
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780311-0865
Format: TEL
From: BUDAPEST
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t1978076/aaaaaevn.tel
Line Count: 99
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 31059e73-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2006514
Secure: OPEN
Status: NATIVE
Subject: HUNGARIANS PUBLICIZE TRADE AGREEMENT
TAGS: EEWT, SOPN, HU, US
To: STATE ICA
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/31059e73-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014